



**U.S. Department of Justice
U.S. Attorney's Office
Western District of Texas**

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FOR IMMEDIATE RELEASE

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MIDLAND CONTRACTOR PLEADS GUILTY IN FEDERAL FRAUD CASE

United States Attorney Johnny Sutton announced that earlier today in Midland, Texas, Jon Mark Whitaker, 38, of Midland, pled guilty in federal court to one count of mail fraud. As a result, Whitaker faces up to twenty years in federal prison, a maximum \$250,000 fine and restitution.

By pleading guilty, Whitaker admitted that in 2004 and 2005, while doing business as "Homes by Whitaker," he was engaged by two families to act as construction manager for new homes to be built in Midland. Whitaker was to receive a monthly fee for his services. All invoices for supplies and subcontractor services provided in connection with the construction of the homes were to be presented to these customers for payment without mark-up.

Beginning approximately November 2004, and continuing until approximately November 2005, Whitaker devised a scheme to defraud the customers in the construction of their respective homes as well as the suppliers and subcontractors who provided goods and services in the course of the construction of those homes. It was part of the fraudulent scheme that Whitaker would submit numerous invoices for payment to the customers that were fake, grossly inflated, and/or unrelated to the construction of their homes. When he did so, Whitaker admitted to making false representations that the invoices were true and accurate, and/or that the invoices reflected goods and services that were genuinely supplied in connection with the construction projects. In truth, Whitaker knew he was flagrantly cheating his customers.

It was further part of the fraudulent scheme that Whitaker would engage subcontractors and suppliers to provide goods and services for the customers' construction projects, then fail to pay them even though he was often receiving inflated payments for their invoices from his customers. Periodically, Whitaker would make false representations and promises to these subcontractors and suppliers that they would be fully paid, when in fact Whitaker had no other intention but to knowingly send them, at times using the U.S. mail, insufficient checks or, at best, partial payments as a means to lull them into staying on the job.

Overall, the indictment alleges that Whitaker stole in excess of \$500,000 from his customers, unpaid suppliers and subcontractors.

This case was investigated by the Midland Police Department and prosecuted by Assistant United States Attorney Jeff Parras.

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